



**FUTURE
ENERGY
EXPORTS**

Cooperative Research Centre

Accelerating corporate Australia's delivery and implementation of Net Zero by 2050 strategies

Presenter: Dr Ellen Tyquin, QUT

Co-authors

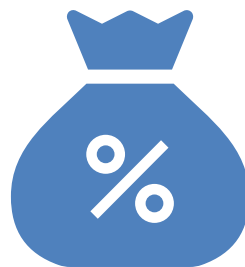
Professor Amisha Mehta, QUT

Professor Cameron Newton, QUT

Project Background



Over 140 countries around the world have embraced Net Zero emissions targets (United Nations, 2023).



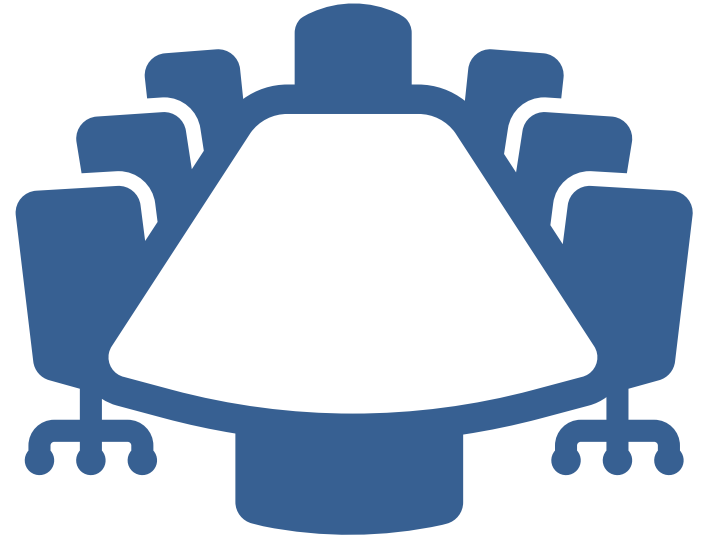
45% of ASX200 companies have committed to achieve Net Zero by 2050 as of March 2022 (Climateworks Centre, 2022).



However, Australian organisations still have further work to do to convert these goals to achievable strategies.

While research continues to identify technological and operational pathways for organisations to achieve Net Zero emissions, **limited research has explored how board directors and senior leaders can best lead, support and implement Net Zero by 2050 strategies.**

There is some emergent research regarding climate governance, and how climate or carbon policy levers can motivate companies to act in other jurisdictions (see Atif et al., 2021; Bui et al., 2020; Cosma et al., 2021; Crichton et al., 2021; Wang et al., 2023), however **we believe an exploration of Net Zero by 2050 commitments in the context of corporate Australia is an important consideration for the nation's wider energy transition ambitions.**



Method: Content Analysis

- The **Climateworks Net Zero Momentum tracker** was utilised to identify ASX200 organisations who were 'aligned' to Net Zero by 2050 targets
- Public facing documents were then collected from these organisations including **annual reports, sustainability reports and climate action reports**

Sector	Number of Organisations	Number of Documents
Consumables	4	4
Energy	2	3
Finance	8	8
Hotels	1	1
IT	2	2
Mining	5	7
Professional Services	2	2
Real Estate	7	8
Retail	1	1
TOTAL	32	36

- Interviews will be used to explore **best practice approaches to Net Zero**, identify current and future challenges and factors that could accelerate progress
- Interview participants will include ASX200 board directors and senior leaders from a range of sectors as well as energy experts and consultants
- **Interviews are currently ongoing, and recruitment for participants is still open**





FUTURE ENERGY EXPORTS

Cooperative Research Centre

Findings to date

From Content Analysis

- All 32 organisations analysed have specified targets to achieve Net Zero by 2050, at least across their scope 1, and 2 emissions. 13 organisations had specific scope 3 emissions targets.
- Some organisations have also brought these targets forward with five organisations aiming to achieve Net Zero emissions by 2040 (Fortescue, IGO Limited, Medibank, Metcash, and Seven Group), three organisations by 2030 (LINK Group, QBE Group and Scentre), and five organisations by 2025 (ASX, Breville, Charter Hall, Growthpoint and Lendlease).

“Our overarching commitment, first of all is when we think about net zero, we're thinking about scope one and two. Um, there is a discussion around scope three, which we absolutely are engaged in, but we haven't got a you know, we don't extend our net zero commitment to that”

Interview Participant, Oil & Gas Sector

From Content Analysis

- Organisations identified that reporting accurate emissions is an ongoing problem in Australia due to limitations in access to accurate and trustworthy data across supply chains.
- Multiple organisations noted that this is of particular concern when it comes to reporting scope 3 emissions, which sit outside of an organisation's own control.

“I think where it gets harder is when you get further down the line in your scope emissions, and you look at things like, you know, the materials that we purchase and all of those sorts of things to really understand your carbon footprint. Now, nobody knows how to do that at this point in time.”

Interview Participant, Energy Sector

From Content Analysis

- The requirement for ongoing investment and access to capital was identified by organisations particularly within the energy and real estate sectors as a key challenge in achieving Net Zero by 2050 targets.
- Organisations noted challenges with achieving funding approval for abatement or decarbonisation projects both internally and externally that had limited return on investment in the short-term.

“It's a matter of time and cost, if I'm quite honest, how much money you want to spend up front doing it? Yeah. Because renewable is still more expensive to buy. Um, and then just when, yeah, when, when you decide you want to try and do some of your own generation.”

Interview Participant, Technology Sector

From Content Analysis

- Future actions to address Net Zero targets in the long-term varied and often depended on an organisation's operations and industry-specific challenges.
- For some organisations the focus was primarily on switching energy consumption to renewables, while others must significantly recalibrate their business models.

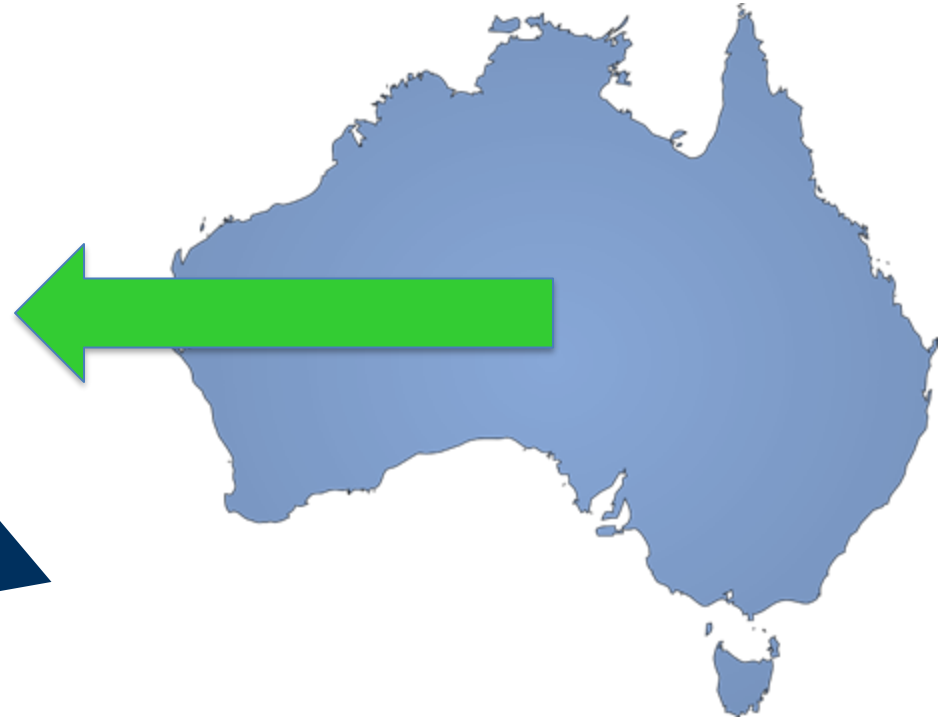
“obviously those sectors that are contributing more and that do contribute can will continue to contribute to the problem more than others need to do their part.”

Interview Participant, Technology Sector

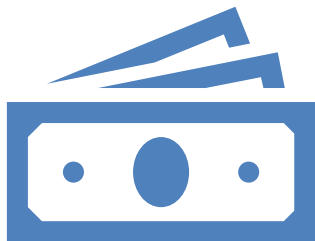
Findings: A national challenge as an energy exporter

“So, if Australia is going to provide those things to the world, which is a good thing from a climate point of view, it's a good thing, you'd think from Australia's economic point of view, it's kind of got to get its head around. What does that mean for its own net zero scope? Our aspirations?”

Interview Participant, Oil & Gas Sector



Levers to accelerate progress



Organisations have integrated the achievement of Net Zero ambitions into senior leaders and executives' remuneration packages **to establish direct accountability.**



A clear theme around **collaboration and engagement** with governments and an organisation's supply chain is needed to effectively achieve Net Zero targets.



Improving the technology and processes to **monitor and track** all types of emissions is noted as a necessary step to effectively achieve Net Zero.

We're still recruiting interview participants

If you are, or know of,
ASX200 board directors,
senior leaders or
energy experts
interested in
contributing their
perspectives – scan the
QR code for more info!





**FUTURE
ENERGY
EXPORTS**

Cooperative Research Centre

Thank you to our funding
partners

FEnEx CRC

QLD Government

WA Government

Contact: e.tyquin@qut.edu.au

- Atif, M., Hossain, M., Alam, M. S., & Goergen, M. (2021). Does board gender diversity affect renewable energy consumption? *Journal of Corporate Finance*, 66, 101665. doi: <https://doi.org/10.1016/j.jcorpfin.2020.101665>
- Bui, B., Houqe, M. N., & Zaman, M. (2020). Climate governance effects on carbon disclosure and performance. *The British Accounting Review*, 52(2), 100880. doi: <https://doi.org/10.1016/j.bar.2019.100880>
- Climateworks Centre. (2022). *1.5°C climate goal: How does the ASX200 stack up in 2022?*. Climateworks Centre. https://www.climateworkscentre.org/wp-content/uploads/2022/12/CWC_NZMT_How-does-the-ASX-stack-up_December-2022.pdf
- Cosma, S., Schwizer, P., Nobile, L., & Leopizzi, R. (2021). Environmental attitude in the board. Who are the “green directors”? Evidences from Italy. *Business Strategy and the Environment*, 30(7), 3360-3375. doi: <https://doi.org/10.1002/bse.2807>
- Crichton, R., Farhidi, F., Patel, A., & Ellegate, N. (2021). Clearing up the benefits of a fossil fuel sector diversified board: A climate change mitigation strategy. *Business and Society Review*, 126(4), 433-453. doi: <https://doi.org/10.1111/basr.12246>
- United Nations. (2023). *For a livable climate: Net-zero commitments must be backed by credible action*. United Nations. <https://www.un.org/en/climatechange/net-zero-coalition>
- Wang, Y., Yao, G., Zuo, Y., & Wu, Q. (2023). Implications of global carbon governance for corporate carbon emissions reduction. *Frontiers in Environmental Science*, 11, 1-10. doi: <https://doi.org/10.3389/fenvs.2023.1071658>